

EXHIBIT F

1
UNITED STATES DISTRICT COURT

2
SOUTHERN DISTRICT OF OHIO

3
WESTERN DIVISION

4
5
THE KROGER CO.,)
6
Plaintiff,) Case No.
7
vs.) 0-1-02 439
8
MALEASE FOODS CORP., formerly)
9 known as MALESE FOODS CORP.,)
10 Defendant.)
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13
14 DEPOSITION OF LAWRENCE KADISH
15 Old Westbury, New York
16 Wednesday, January 21, 2004
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22
23

24 Reported by:
25 KRISTIN KOCH, RPR
JOB NO. 731

Kadish

Corporation is?

A. It's a Delaware corporation formed in 1983 that is the record owner of a master lease covering the three properties in what's known as the Balkhouse transaction, properties being in San Marcos, Texas; Bowling Green, Kentucky; and Murfreesboro, Tennessee.

Q. Does Malease own any other assets other than those that you just described?

A. Not that I recall.

Q. Who are the shareholders or owners of Malease?

A. Lawrence Kadish.

Q. That's you; right?

A. Yes.

Q. You are the only shareholder?

A. I believe so.

Q. Who are the officers and directors?

A. That would be Irwin Reicher,

R-E-I-C-H-E-R, myself. I don't recall the other names right now.

Q. Who is Irwin Reicher?

A. He is an attorney in New York City.

Q. My understanding is based on some

1 Kadish

2 papers I have read in this case that what you
 3 referred to as the Balkhouse transaction, which
 4 involved the master lease of the three
 5 properties you just mentioned, that you have
 6 done similar type transactions; is that fair?

7 A. Yes.

8 **Q. Can you tell me or describe to me the
 9 other transactions that are somewhat similar to
 10 the ones that you described with respect to the
 11 Balkhouse transaction?**

12 A. Well, in 1983 the Balkhouse
 13 transaction was part of a three-transaction -- a
 14 three groups of properties transaction followed
 15 up by a related 1984 transaction involving three
 16 other groups of properties.

17 **Q. Three other groups or one group with
 18 three properties in it?**

19 A. Well, in the -- I'm sorry.

20 **Q. That's okay. I am just trying to get
 21 a sense of how many deals like this you have
 22 done that is similar to the one that Kroger was
 23 involved in.**

24 A. Well, the transactions were not all
 25 the same, but as far as the basic element of the

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1 transaction, which was the master lease,
 2 deferred rent paid by the operating tenant, in
 3 that respect they were all the same.

**Q. Besides the Kroger and the Balkhouse
 6 ones, there were two other sets; is that
 7 correct?**

8 A. There were three in 1983 followed by
 9 three groups of properties involving master
 10 leases with deferred rent in 1984, but they were
 11 all contemplated in 1983 and agreed to in 1983.

**Q. So one of those is the one that you
 13 described as the Balkhouse, which involved the
 14 three Kroger warehouses; correct?**

15 A. Correct.

Q. What were the other ones?

16 A. Well, in 1983 there was the Aztex
 17 transaction, which involved eighteen
 18 K-Mart/Furrs Cafeterias. K-Mart had gone into
 19 the cafeteria business and taken over this
 20 company Furrs or merged with it, I don't recall.
 21 And the other transaction was an office building
 22 in Houston, Texas leased out to National
 23 Convenience Stores, who was the corporate
 24 headquarters, and that transaction was known as

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1 the Pennington transaction. The other three
 2 transactions which closed in 1994 but were --
 3 excuse me, in 1984 but were committed for in '83
 4 were the Hanibal transaction, which involved
 5 fifteen Safeway stores, the Lynx transaction,
 6 which consisted of twelve K-Mart/Furrs
 7 cafeterias and two K-Mart distribution centers,
 8 and the Kansiana transaction, which consisted of
 9 twelve Kroger supermarkets.

10 **Q. Is that it?**

11 A. When you say "it" --

12 **Q. Does that summarize the type of
 13 transactions that you were involved in?**

14 A. That are similar to the Balkhouse,
 15 yes.

16 **Q. And you started to describe how these
 17 transactions worked and, to be honest with you,
 18 Mr. Kadish, I have been through these papers
 19 several times now, and the more I read, the more
 20 confused I get, so it actually would be helpful
 21 to me if you could explain how the transaction
 22 worked or how it was supposed to work with
 23 respect to Balkhouse. Can you walk me through
 24 that?**